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[File No. 20001304]

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re:

Case No.: 4:19-bk-15365-BMW

Erin A. Willett,

Chapter 13

Debtor,

**RESPONSE IN OPPOSITION TO
DEBTOR'S OBJECTION TO PROOF OF
CLAIM (CLAIM #4)**

Quantum3 Group, LLC, ("Secured Creditor"), a secured creditor in this bankruptcy case, through undersigned counsel hereby files this response to Erin A. Willett's (the "Debtor") objection to proof of claim (claim #4) (the "Objection"), *See* Court Docket No.: 19.

The Debt of the Secured Creditor is outlined in the proof of claim as specifically mentioned above and related to a debt owed on a water treatment system identified as HQ 1054 61654. Secured Creditor's original proof of claim was filed on December 26, 2019 and was subsequently amended on May 20, 2020 to provide the full and complete contract.

**I. CREDITOR HAS A VALID INTEREST IN THE CLAIM AS
DEMONSTRATED BY THE PROOF OF CLAIM.**

Debtor's assertion that Aqua Finance or Quantum3 has no interest in the underlying contract is refuted by the contract itself. According to the proof of claim, page 6, section "Assignment to Aqua Finance, Inc.," clearly provides notice to the debtor that the dealer in this case, Arizona Environmental Progress, assigned all rights and interest to Aqua Finance for

1 whom Quantum3 services the loan. This contract and assignment were both included in the
2 originally filed proof of claim. Given that it is clear that the original lender assigned their interest
3 in the contract, and all of the rights with it, to Aqua Finance, Inc., the Court should overrule this
4 portion of Debtor's objection to the claim.

5 Next, the Debtor argues that the contract does not provide for any interest rate.
6 Secured Creditor provided a supplemental filing on May 20, 2020 (*See* Claims Register 4-2).
7 While the attached agreement is unsigned, Secured Creditor maintains that the Debtor entered
8 into a similar agreement which actually provides for interest and default provisions. Secured
9 Creditor humbly requests that this Court set a hearing on this matter to allow time to review
10 provide the necessary documentation for the Court to review. Given this, Secured Creditor
11 respectfully requests a hearing on this portion of Debtor's objection prior to issuing a ruling.

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13 **II. SECURED CREDITOR'S FINANCING STATEMENT IS SUFFICIENT**
14 **UNDER ARIZONA LAW.**

15 Debtor fails to provide for specific deficiencies in Secured Creditor's filed
16 Financing Statement and relies on vague assertions that there are "multiple deficiencies". Debtor
17 correctly directs the Court's attention to A.R.S. § 47-9501(A) which provides the requirements
18 of a financing statement. When a comparison is made between this section and the financing
19 statement it appears that the financing statement is sufficient;
20

- 21 1. Provides the name of the Debtor: Adam R. Willett and Erin A. Willet (*See*
22 Sections 1 and 2 of the Financing Statement.)
- 23 2. Provides the name of the secured party: Aqua Finance, Inc. (*See* Section 3 of
24 the Financing Statement.)
- 25 3. Indicates the collateral covered by the financing statement of the secured
26 party, the Water Treatment System, (*See* section 4 of the Financing
27 Statement.)
28

1 The plain language of the Financing Statement provides for all three (3)
2 requirements under the rule. Therefore, the Financing Statement is not deficient but rather
3 sufficient, on its face. Given this, this portion of the Debtor's objection to the Claim should be
4 overruled.

5 Lastly, Secured Creditor's position is that upon filing this instant case the Debtor
6 lost standing to challenge Secured Creditor's security interest on the property.

7 **WHEREFORE**, Secured Creditor respectfully requests that Debtor's objection to
8 the claim be overruled.
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14 DATED this 22nd day of May, 2020

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16 ZBS Law, LLP

17 /s/ Joseph J. Tirello, Jr.

18 Joseph J. Tirello, Jr., Esq.

19 Attorney for Quantum3 Group, LLC
20
21
22

23 Original e-filed this 22nd day of
24 May, 2020 with:

25 United States Bankruptcy Court
26 District of Arizona

27 Copy of the foregoing was mailed
28 on the 22nd day of May, 2020 to:

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By /s/ Joseph J. Tirello, Jr.